FILED

MICHELE REAGAN

SECRETARY OF STATE

State of Arizona Senate Fifty-third Legislature First Regular Session 2017

## SENATE BILL 1341

AN ACT

AMENDING SECTION 20-1106, ARIZONA REVISED STATUTES; RELATING TO INSURANCE CONTRACTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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Be it enacted by the Legislature of the State of Arizona: Section 1. Section 20-1106, Arizona Revised Statutes, is amended to read:

20-1106. Capacity to contract for insurance; minors

- A. Any person of competent legal capacity may contract for insurance.
- B. A minor not less than WHO IS AT LEAST fifteen years of age as of his THE MINOR'S nearest birthday may CONTRACT, notwithstanding his THE MINOR'S minority, contract for life or disability insurance on his THE MINOR'S own life or body, for his THE MINOR'S benefit or for the benefit of his THE MINOR'S father or mother, spouse, child, brother, sister or grandparents.
- C. A MINOR WHO IS AT LEAST SIXTEEN YEARS OF AGE AS OF THE MINOR'S NEAREST BIRTHDAY, WHO IS A FOSTER CHILD AS DEFINED IN SECTION 8-501 OR A YOUTH PARTICIPATING IN THE INDEPENDENT LIVING PROGRAM PURSUANT TO SECTION 8-521 AND WHO HAS COMPLETED A DRIVER EDUCATION PROGRAM MAY CONTRACT, NOTWITHSTANDING THE MINOR'S MINORITY, FOR MOTOR VEHICLE LIABILITY INSURANCE THAT SATISFIES THE REQUIREMENTS OF SECTION 28-4009 AND THAT COVERS THE MINOR.
- D. The A minor DESCRIBED IN SUBSECTION B OR C OF THIS SECTION shall, notwithstanding his THE MINOR'S minority, SHALL be deemed competent to exercise all rights and powers with respect to or under any contract of life or disability insurance on his THE MINOR'S own life or body OR CONTRACT OF MOTOR VEHICLE LIABILITY INSURANCE PURSUANT TO THIS SECTION. as though of full legal age, and may surrender his THE MINOR'S interest therein IN THE CONTRACT and give a valid discharge for any benefit accruing or money payable thereunder UNDER THE CONTRACT. The minor shall not, by reason of his minority, be entitled to MAY NOT rescind, avoid or repudiate the contract, nor to rescind, avoid or repudiate any exercise of a right or privilege thereunder UNDER THE CONTRACT, except that the minor, not otherwise emancipated, shall MAY not be bound by any unperformed agreement to pay, by promissory note or otherwise, any premium on such an insurance contract.

APPROVED BY THE GOVERNOR MAY 2, 2017.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 2, 2017.

- 1 -

Passed the House	5, 20 <u>/7</u> ,	Passed the Senate	February	21	,20 <u>17</u> _,
by the following vote: 40	Ayes,	by the following vo	te:	30	Ayes,
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